

GOVERNOR DOYLE'S TASK FORCE TO IMPROVE ACCESS TO ORAL HEALTH

Recommendations on Medicaid

February 18, 2005

Reimbursement Rates

Current Law

The following two charts provide some information you have seen before on Medicaid Fee-For-Service billings.

Wisconsin Medicaid Fee-for-Service Dental Fiscal Data						
Fiscal Year *	Expenditures	Billed	Percent Paid-to-Billed	Units of Service Rendered	Amount Paid per Unit of Service	Amount Billed per Unit of Service
2004	\$27,938,425	\$60,843,636	45.9%	774,032	\$36.09	\$78.61
2003	\$26,362,022	\$55,465,677	47.5%	679,654	\$38.79	\$81.61
2002	\$23,738,235	\$47,887,488	49.6%	626,755	\$37.87	\$76.41
2001	\$21,609,764	\$41,592,918	52.0%	573,262	\$37.70	\$72.55
2000	\$19,658,785	\$35,812,744	54.9%	541,038	\$36.34	\$66.19

*Fiscal Year runs July 1 to June 30

Source: HMGR 340Q, Payment Month = June. This figure does not include capitation payments made to HMOs providing dental services in Milwaukee, Waukesha, Racine, and Kenosha counties.

	FY 2000		FY 2001		FY 2003		FY 2004	
Volume of Claims	Number of Participating Dentists	Percent of Participating Dentists	Number of Participating Dentists	Percent of Participating Dentists	Number of Participating Dentists	Percent of Participating Dentists	Number of Participating Dentists *	Percent of Participating Dentists
1-49	653	45.30%	601	42.70%	548	39.80%	571	40.67%
50-99	251	17.40%	231	16.40%	215	15.60%	220	15.67%
100-249	292	20.30%	295	21%	301	21.90%	279	19.87%
250-499	135	9.40%	153	10.90%	162	11.80%	165	11.75%
500-749	53	3.70%	56	4%	55	4%	66	4.70%
750-999	22	1.50%	31	2.20%	32	2.30%	29	2.07%
1,000-1,999	30	2.10%	31	2.20%	49	3.60%	49	3.49%
2,000 or more	2	0.30%	8	0.60%	15	1.10%	25	1.78%
Total	1438	100.00%	1406	100.00%	1377	100.10%	1404	100.00%

* FY 04 includes, for the first time, both in-state and out-of-state dental providers in this count.

Source: Wisconsin Medicaid query of performing provider data. This table includes both in-state and out-of-state providers.

Task Force Alternatives

1. Increasing Medicaid and BadgerCare Fee-for-Service fees for selected codes to certain percentile of 2003 American Dental Association Survey of Dental Fees, East North Central Region (SFY 04: 302,000 claims)

D0120: periodic exam	D2150: 2-surface amalgam
D0150: comprehensive exam	D2331: 2-surface resin
D0210: intraoral x-rays	D2930: primary SSC crown
D0272: bitewing x-rays	D2931: permanent SSC crown
D0330: panoramic x-ray	D3220: pulpotomy
D1120: cleaning - child	D3310: anterior root canal
D1201: cleaning and fluoride - child	D7111: extraction – deciduous tooth
D1203: fluoride - child	D7140: extraction – erupted tooth
D1351: sealant	

	Raising Fees to ADA ENC Percentile			
		75 th	50 th	25 th
Increase in Utilization	50%	\$61,526,697	\$49,829,057	\$38,256,680
	40%	\$55,811,452	\$44,893,655	\$34,282,693
	30%	\$50,096,207	\$39,958,252	\$30,308,706
	20%	\$44,380,962	\$35,022,850	\$26,334,719
	10%	\$38,665,717	\$30,087,448	\$22,360,732
	0%	\$32,950,472	\$25,152,046	\$18,386,745

Based on SFY 04 billing by procedure code. Amounts in cells are estimated cost to raise rates in All Funds (Federal + State Funds) for two years. Assumes immediate increase in access (i.e., no ramp-up in the first year). Wisconsin share of Medicaid expenditures varies between 30 and 42%. The selected codes are drawn primarily from the benchmark codes reported in the American Dental Association's report, State Innovations to Improve Access to Oral Health Care for Low-Income Children.

2. Providing Bonus Payments to "Critical Access" Dentists Who Receive Over \$100,000 of Fee-for-Service Payments Per Year (SFY 04: 162,000 claims, 54 billing providers)

		Increase in # Claims Submitted by "Critical Access" Providers					
		50%	40%	30%	20%	10%	0%
Incentive Payment	50%	\$39,670,036	\$34,909,631	\$30,149,227	\$25,388,823	\$20,628,419	\$15,868,014
	40%	\$34,909,631	\$30,466,587	\$26,023,543	\$21,580,499	\$17,137,455	\$12,694,411
	30%	\$30,149,227	\$26,023,543	\$21,897,860	\$17,772,176	\$13,646,492	\$9,520,809
	20%	\$25,388,823	\$21,580,499	\$17,772,176	\$13,963,853	\$10,155,529	\$6,347,206

Based on SFY 04 billing by billing provider number (HMGR 365A report). Amounts in cells are estimated cost to raise rates in All Funds (Federal + State Funds) for two years. Assumes immediate increase in access (i.e., no ramp-up in the first year). Wisconsin share of Medicaid expenditures varies between 30 and 42%.

3. Providing Incentive Payments to Pediatric Dentists (SFY 04: 28,000 claims, 34 performing providers)

		Increase in # Claims by Pediatric Dentists					
		50%	40%	30%	20%	10%	0%
Incentive Payment	50%	\$6,776,680	\$5,963,478	\$5,150,277	\$4,337,075	\$3,523,874	\$2,710,672
	40%	\$5,963,478	\$5,204,490	\$4,445,502	\$3,686,514	\$2,927,526	\$2,168,538
	30%	\$5,150,277	\$4,445,502	\$3,740,727	\$3,035,953	\$2,331,178	\$1,626,403
	20%	\$4,337,075	\$3,686,514	\$3,035,953	\$2,385,391	\$1,734,830	\$1,084,269

Based on SFY 04 billing by performing provider identified as a pediatric dentist (Business Objects report). Amounts in cells are estimated cost to raise rates in All Funds (Federal + State Funds) for two years. Assumes immediate increase in access (i.e., no ramp-up in the first year). Wisconsin share of Medicaid expenditures varies between 30 and 42%.

4. Encourage FQHCs to contract for dental services which is permitted by federal regulators, and endorsed and promoted by the American Dental Association and the National Association of Community Health Centers. State Medicaid staff will work with the health centers to determine allowable costs associated with these arrangements.
5. Ask DHFS to create a bonus program in which dentists will receive an additional 5% reimbursement after they see 100 Medicaid patients. They will continue to receive that bonus for the remainder of the calendar year as long as they continue to bill for 15 Medicaid patients per month. (Utah)
 - a) 10% bonus and 15 per month
 - b) 10% bonus and 20 per month
6. Ask DHFS to develop a five-year target for dental reimbursement rates and a year-by-year access percentage goal. If the number of eligible individuals receiving care meets the access goal, the reimbursement rate will be raised to the next annual target.
7. Ask DHFS to eliminate the HMO system and contract directly with a single dental care administrator (TennCare model). The administrator must have an understanding of the dental care system and have the ability to stream line administrative work for private dentists.
8. Expand providers who can be reimbursed for providing oral health care to include hygienists and pediatricians.
 - c) Hygienists
 - d) Pediatricians
 - e) Nurses